

Course Level Assessment

Principles of Accounting II ACC 121

6/30/2008

Submitted by Seyed Mirkhani

The purpose of this report is to present the methodology and findings for the course level assessment of Principles of Accounting II (ACC 121). Principles of Accounting II serves as a required core course in the Business Management program. This course is an introduction to the principles and procedures in accounting for a corporation and manufacturing-type business. This course incorporates computer accounting technology to provide hands-on learning. To assure that Principles of Accounting II is meeting its intended purpose in the curriculum and that students are in fact achieving the defined course learning outcomes identified on the Master Course Record Form (See Attachment A), this course was selected for a course level assessment project to discern attainment of specified learning outcomes across multiple class sections. This course also serves as a general elective course for non-business majors.

Methodology

Principles of Accounting II course outcomes will be assessed on a cyclical basis over three years beginning with the spring 2007 semester. Each year, a minimum of four course learning outcomes will be selected for evaluation. Dependent upon assessment findings, some outcomes will be assessed over multiple years to validate effectiveness of changes in curriculum or course materials. Exam questions addressing the target learning outcomes serve as indicators of student attainment of course learning outcomes. These exam questions are incorporated across all sections of ACC 121 during the assessment cycle. The minimum performance standard is set at 80%. At least 80% of the students completing the common indicators administered via the course examination will select the correct response. In the event that the minimum performance standard is not met, the

unmet learning outcome will be targeted for further monitoring. The results may also trigger an evaluation of course materials supporting the learning outcome, revision of course materials or further curriculum revision.

In the spring 2008 semester, four course learning outcomes were selected for assessment. The target learning outcomes include:

Outcome 1: Prepare cash flow statement
Outcome 2: Define organizational costs
Outcome 3: Divide earnings among partners
Outcome 4: Calculate bond earnings

To assess these learning outcomes, standard questions were administered. All students enrolled in this section completed the standard questions. Nine students were included in this sample. The outcomes and corresponding indicators are listed in Figure 1. Results were compiled for each indicator denoting the percentage of students selecting the correct response for each indicator. Findings from the data for each outcome are presented in the results section of this report.

Learning Outcome	Indicator
<p>Outcome 1: Prepare cash flow statement</p>	<p>Question I. The statement of cash flows is</p> <p>a. another name for the statement of financial position b. a financial statement that presents information about changes in equity during a period c. a financial statement that reports the cash inflows and cash outflows for an accounting period, and that classifies those cash flows as operating activities, investing activities or financing activities d. a financial statement that lists the types and amounts of assets, liabilities and equity of a business on a specific date</p> <p>ANS: c</p>
<p>Outcome 2: Define organizational costs</p>	<p>Question II. The costs of bringing a corporation into existence, including legal fees, promoter fees, and amounts paid to obtain a charter are called:</p> <p>a. minimal legal capital b. the stock subscriptions c. original costs d. prepaid fess</p> <p>ANS: c</p>
<p>Outcome 3: Divide earnings among partners</p>	<p>Question III. Rice, Hepburn, and DiMacro formed a partnership with Rice contributing \$60, 000, Hepburn contributing \$50,000 and DiMacro contributing \$40,000. Their partnership agreement called for the income (loss) division to be based on the ratio of capital investments. If the partnership had income of \$75,000 for its first year of operation, what amount of income (rounded to the nearest dollar) would be credited to DiMacro’s capital account?</p> <p>a. \$20, 000 b. \$25,000 c. \$30,000 d. \$40,000 e. \$75, 000</p> <p>ANS: a</p>

<p>Outcome 4: Calculate bond earnings</p>	<p>Question IV. A company paid \$37,800 plus a broker's fee of \$525 to acquire 8% bonds with a \$40,000 maturity value. The company intends to hold the bonds to maturity. The cash proceeds the company will receive when the bonds mature equal:</p> <p>a. \$37,800 b. \$38,325 c. \$40,000 d. \$40,525 e. \$43,200</p> <p>ANS: c</p>
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Figure 1: Assessed Outcomes and Indicators

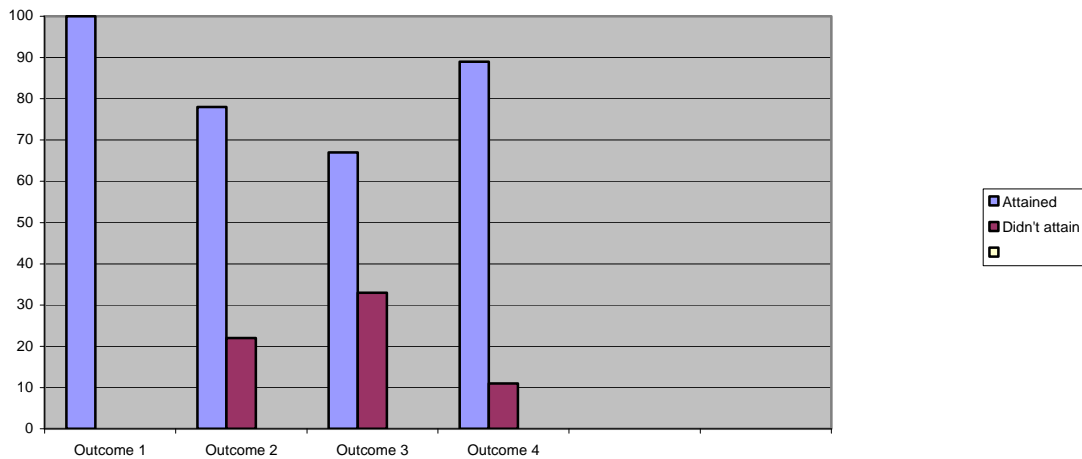
Results

Based on the existing data, two of the learning outcomes were met at the minimum performance standard (See Table 1). All of the students successfully completed the identified indicator for Learning Outcomes one and four, seventy-eight percent of the students completed the identified indicator for Learning Outcome two and sixty-seven percent completed identified indicator for Learning Outcome three. Unmet Learning Outcomes two and three will be targeted for further monitoring.

Table 1: Distribution of Performance Standards for Outcomes 1 Through 4

Principles of Accounting II Spring 2008

	Question 1	Question II	Question III	Question IV
% answered correctly N = 9	9/9 = 100%	7/9 = 78%	6/9 = 67%	8/9 = 89%



Principles of Accounting II discusses financial statements including statement of cash flows as well as return on investment in detail (outcomes I and IV). In addition, business students have good understanding of bond maturity. Outcomes II and III will be monitored. Additional questions will be administered across future sections of the course to measure other outcomes.

Conclusion and Action Plan

Overall, students satisfactorily met the minimum performance standard established for two of the four target learning outcomes. Course data will be collected and assessed on a continuous basis for the three year cycle to allow for assessment of more course outcomes incorporating a larger sample. More specific questions will be included in the assessment activities to measure student learning outcomes.

These results will be discussed with the instructor who taught this course. These results will also be presented to the instructor(s) who will teach this course in the future. These and future assessment results will serve as the basis for determining need for course and course material revisions.

**Eastern WV Community & Technical College
Master Course Record**

Course Prefix and Number: ACC 121
Course Title: Principles of Accounting II
Recommended Transcript Title Principles of Accounting II
Date Approved/Revised
Credit Hours: 3 Contact hours per week (Based on 15 week term): Lecture: 3 Lab:
Prerequisite: ACC 120 Corequisite: Pre/Corequisite:
Grading Mode: Letter Grade
Catalog Description: This course is an introduction to principles and procedures in accounting for a corporation and manufacturing-type business. This course incorporates computer accounting technology to provide hands-on learning.
Course Outcomes: <ol style="list-style-type: none"> 1. Calculate with equal principal installment notes 2. Calculate book values for common stock 3. Calculate book values for preferred stock 4. Calculate price variances 5. Calculate quantity variances 6. Calculate with equal payments installment notes 7. Define organizational costs 8. Describe stock splits 9. Divide earnings among partners 10. Record stock dividend transactions 11. Record no-par value common stock 12. Record no-par value, stated common stock 13. Record cash dividend transactions 14. Record stock subscriptions sale 15. Allocate preferred common dividends 16. List advantages disadvantages of corporation 17. Record corporate accounts 18. Explain partnership accounting 19. prepare corporate income statements 20. Calculate earnings per share

<ul style="list-style-type: none"> 21. Record treasury stock 22. Calculate installment notes 23. Calculate bond entries 24. Prepare cash flow statement 25. Analyze financial statements 26. Calculate financial formulas 27. Prepare manufacturing statement 28. Calculate overhead application rates 29. Calculate manufacturing costs 30. Calculate equivalent finished units 31. Prepare process cost entries 32. Prepare job order entries 33. Calculate cost allocations 34. Calculate break-even point 35. Prepare master budget 36. Compare capital investments
Implementation Cycle: Spring First Year
Role in College Curriculum: <ul style="list-style-type: none"> <input type="checkbox"/> General Education Core • Technical Core (Business Management) <input type="checkbox"/> Restricted Elective • General Elective
Course Fee: None
Instructor's Qualifications: Master's degree with 18 graduate level business credits
Expanded Course Description: This course is continuation of ACC 120. The use of accounting data in decision making by the corporations and manufacturing business will be discussed. Topics include an introduction to managerial and cost accounting.

Prepared by: Seyed Mirkhani, Academic Program Director for Business Technologies
 _____ October 30, 2006 _____

Signature, Title

Date

Approved by:

Dean, Academic Services

**Appendix B:
Summary of Outcomes, Indicators, Performance Standards and Results**

Principles of Accounting II Spring 2008

	Question 1	Question II	Question III	Question IV
% answered correctly N = 9	9/9 = 100%	7/9 = 78%	6/9 = 67%	8/9 = 89%

Learning Outcome N = 9	Indicator
<p>Outcome 1: Prepare cash flow statement</p> <p>% Correct Answer: 9/9 = 100%</p> <p>% Incorrect Answer: 0/9 = 0%</p> <p>Performance Standard Met (80%): Yes</p>	<p>Question I. The statement of cash flows is</p> <p>a. another name for the statement of financial position b. a financial statement that presents information about changes in equity during a period c. a financial statement that reports the cash inflows and cash outflows for an accounting period, and that classifies those cash flows as operating activities, investing activities or financing activities d. a financial statement that lists the types and amounts of assets, liabilities and equity of a business on a specific date</p> <p>ANS: c</p>
<p>Outcome 2: Define organizational costs</p> <p>% Correct Answer: 7/9 = 78%</p> <p>% Incorrect Answer: 2/9 = 22%</p> <p>Performance Standard Met (80%): No</p>	<p>Question II. The costs of bringing a corporation into existence, including legal fees, promoter fees, and amounts paid to obtain a charter are called:</p> <p>a. minimal legal capital b. the stock subscriptions c. original costs d. prepaid fess</p> <p>ANS: c</p>

<p>Outcome 3: Divide earnings among partners</p> <p>% Correct Answer: 6/9 = 67%</p> <p>% Incorrect Answer: 3/9 = 33%</p> <p>Performance Standard Met (80%): No</p>	<p>Question III. Rice, Hepburn, and DiMacro formed a partnership with Rice contributing \$60, 000, Hepburn contributing \$50,000 and DiMacro contributing \$40,000. Their partnership agreement called for the income (loss) division to be based on the ratio of capital investments. If the partnership had income of \$75,000 for its first year of operation, what amount of income (rounded to the nearest dollar) would be credited to DiMacro’s capital account?</p> <p>a. \$20, 000 b. \$25,000 c. \$30,000 d. \$40,000 e. \$75, 000</p> <p>ANS: a</p>
<p>Outcome 4: Calculate bond earnings</p> <p>% Correct Answer: 8/9 = 89%</p> <p>% Incorrect Answer: 1/9 = 11%</p> <p>Performance Standard Met (80%): Yes</p>	<p>Question IV. A company paid \$37,800 plus a broker’s fee of \$525 to acquire 8% bonds with a \$40,000 maturity value. The company intends to hold the bonds to maturity. The cash proceeds the company will receive when the bonds mature equal:</p> <p>a. \$37,800 b. \$38,325 c. \$40,000 d. \$40,525 e. \$43,200</p> <p>ANS: c</p>